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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 18, 2013

Branch Cox
MKJ Construction LLC
47 West Center Street
Fairview, Utah 84629

Subject: Conditional Permit to Commence Small Mine Activities, MKJ Construction LLC, Scott Mower Property Mine, S/039/0032, Sanpete County, Utah

Dear Mr. Cox:

The Division of Oil, Gas and Mining finds your Notice of Intention to Commence Small Mining Operations (Notice) complete and approves the reclamation surety for the Scott Mower Property Mine. The surety is escalated to 2016.

You are now permitted to conduct mining activities as outlined in the Notice **within the areas for which a cultural resource study has been performed**, provided you have approval from all other appropriate agencies. Mining in areas within your proposed disturbance boundary but outside of the cultural resources study area will not be permitted until the Division has taken into account the effect of mining on potential historic properties in those areas.

The approval or acceptance of a complete notice of intention does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations. Enclosed please find a copy of the reclamation contract and stamped approved Notice.

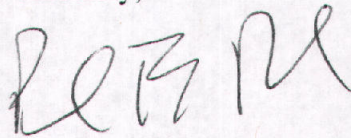
Please keep in mind the following regulatory requirements:


- Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory surety release.
- If you encounter any archaeological or historical items, you are asked to notify this office and the Division of State History.
- Permit fees and annual reports are due by January 31st.

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The Division's web page at <http://ogm.utah.gov> under the Mining Program has a link to the rules under which you are expected to operate and to other information to assist you in complying with program requirements. Thank you for your cooperation. In reply, please refer to file number S/039/0032. Please contact Peter Brinton at 801-538-5258 or Paul Baker at 801-538-5261 if you have questions or concerns regarding this approval.

Sincerely,



 Dana Dean, P.E.
Associate Director, Mining

DD: pnb: eb

Enclosure: Copy of RC & surety forms

Copy of approved NOI

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